

**ORIENT LAND TRUST (OLT) BOARD OF DIRECTORS ANNUAL MEETING
SEITZ RESIDENCE ADJACENT TO THE OLT WELCOME CENTER
SATURDAY, JULY 18, 2009**

MINUTES

- I. Record Attendance – Dan J, Doug B, John E, Mike B, Paul Z, Amy T, and Barbara T present.
- II. Meeting Call to Order – Dan called the meeting to order at 9:04 AM.
- III. Changes to Agenda – Dan made one change to the agenda switching items b. and c. in Executive Session.
- IV. Approve Regular Session Meeting Minutes from April 18, 2009 – Doug moved to approve these minutes. Paul seconded, and the motion was adopted: all in favor, none opposed, no abstentions.
- V. Questions/Comments from Guests – Dan introduced the Board and entertained introductions from guests who were present at the time and welcomed them: Terry S, Neil S, Lisa G, Phil B, Aurielle A, Larry W, Susan A, Don G, Kathy G, Ches H, Alison D, Denise S, Mike Ce, Marilyn S, Laura B (Strategic Planning facilitator). Annie P joined the meeting at 9:15 am. Terrie L joined the meeting at about 10:45 am.

Ches introduced a trails presentation (attached). About 10 yrs. ago, he rerouted the trail to the top pond. He and his wife, Alison did additional work this year. Recommendations: create trail committee to maintain trails and build new ones and provide training; make recommendations to Board; one board member on the committee; create policy re: trails with input from volunteers, committee; higher elevation of trail should be treated like wilderness area-e.g., no motorized vehicles; appropriate size for ponds. Do this in connection with the master plan. Would like to see trail kept pretty much as is, not an ADA trail. Did informal survey when working on it as people were walking up; most said better maintenance, but keep as is. Board discussed that this could go under LMP committee or a task force. Amy thanked Ches for the work that he and his wife did over a couple of days.

Larry presented some visitor concerns as a liaison for himself and other visitors (attached). For example, volunteers using RV spaces, initiate site reservation system for RV sites, tent campers in RV sites, change overnight/day use policy for guests back to 14 nights/15 days, limit vendors to 9 nights/10 days to minimize influence; massage therapists to pay fee to OLT; many extension cords from outlets to campers; keep newsletters and minutes current online; Sunset Lodge needs maintenance; mice in cabins is a problem; any long-term goals that could exclude naturism from Village area? Dan indicated that these concerns are being or will be addressed in committee or by staff. John asked about parking RVs at reservoir and having regular runs up to the hot springs. Larry said that would work. [NOTE: During break, Larry indicated to Barb that this would *not* work.]

- VI. Election of Directors – The Board Development Committee (BDC) had reviewed applicants for the board openings and recommended John E and Paul Z be reelected to the board. Mike nominated

both for reelection. Doug seconded the motion. There being no objections to their reelection, John and Paul were re-elected to new three-year terms. The board accepted Scott R's resignation from the Board. John mentioned that the resignation was in connection with a possible conflict of interest because he is an architect.

- VII. Election of Officers –Dan noted that the President need not be re-elected at this time because her term runs until her successor is elected and qualified. Dan passed the gavel to Barb for the election of officers. Barb stated that the BDC recommended the following slate of officers for election: Dan as Chair, Mike as Vice Chair, and John E. as Treasurer. Doug moved that the slate presented by the Board Development Committee be accepted. Paul seconded the motion. The motion was adopted: all in favor, none opposed, no abstentions. Dan resumed as chair of the meeting and stated that the BDC had recommended Barb for the position of Secretary. Dan asked if there were any objections. John asked about the status of the Secretary contract. Dan said nothing need be done with it at this time and will look at realigning the Secretary contract with either the calendar year or the annual meeting. There being no objections, Barb was reelected as Secretary.
- VIII. Appointment of Registered Agent – Amy said that the Registered Agent is for legal purposes. OLT's Registered Agent should be a third party that serves in an official capacity, for example, to accept service of papers. A registered agent is generally used rather than a place of business. Amy suggested that Greg Powell serve as registered agent. John moved to identify and contract with a registered agent for OLT at the Executive Director's discretion. Mike seconded the motion. The board will be advised of who the registered agent will be. There was no further discussion. The motion was adopted: all in favor, none opposed, no abstentions.

Amy commented on the letter from Steve Johnson, Principle Scientist with Natural Resource Services, Inc. (NRSI) (attached) that he sees some issues with the ditch at Everson Ranch, that it doesn't look like or function like a natural stream and it is unstable.

Alltel is hosting a public meeting Thurs., July 23 from 9-11 AM. Aug. 12 public comments are due. Aug. 27 is the public hearing before the Saguache County Planning Commission. Property owners applied for a conditional use permit. The tower's proposed location is across the road from Everson Ranch at County Rds. 61 and GG. OLT and others have submitted letters to Alltel in opposition to the proposed location of the cell tower.

Amy referred to the letter in the board packet re: OLT's comments to Colorado Oil and Gas Commission re: the right of citizens to be heard *prior to* issuance of drilling permits in sensitive ecosystems and wildlife habitat areas.

- IX. Executive Director's Report (attached) – Amy thanked Terry for all her help, John L for new documents and outreach materials, Barb with policies and getting our State Cert. application prepared, as well as all staff. Amy mentioned that she has spoken to Robin S to be a volunteer coordinator for OLT to better utilize those who want to volunteer. Amy and Terry will talk with Chris M more about tracking donation letters. Amy talked about the donation of the VVHS property to OLT and TNC then putting a CE on the property in order to preserve the property in perpetuity if anything were to happen to OLT. John pointed out that TNC already has a strong presence in the Valley.

- X. Board Chair's Report (attached) – Dan expressed his gratitude to Amy for all she's done in a short period of time. Also thanks to Terry and Amy for continuing the Kool Kids program. Amy and Dan will be attending both COSA and LTA's conferences. Mike may attend one of these. Terry will register board members who will be attending the LTA conference. Registration is due to LTA by Aug. 16 to receive a discount.
- XI. Secretary's Report/Correspondence – Barb reported that she had received correspondence from the State Division of Regulatory Agencies (attached at pp. 11 and 12) regarding OLT's application for State Certification. Barb deferred to Amy who will discuss this in the afternoon (item XIV.g.).

Barb compared OLT's bank statements to the Treasurer's report and found no discrepancies other than a difference in the Saguache County Credit Union's statement balance compared to the Treasurer's report. The difference is because the statement balance includes a quarterly dividend that is not included in the Treasurer's report because OLT had not received SCCU's statement at the time the Treasurer's Report was prepared.

Barb reported that John had deputized her to review the unused check stock. On July 10, 2009, Barb looked at the latest check register with Terry and noted the last check written. Barb then noted the number of the first check of the check stock in the locked file cabinet in the office and confirmed that its number was in sequence and that all checks not issued are secured and under the control of the Office Manager. Additional check stock is in a box in the Seitz basement, which we consider secure. Barb did not see any missing check numbers or out of sequence payments in the check register since John last reviewed the check stock.

- XII. Treasurer's Report
- a. John presented the Income Statement, Balance Sheet, Cash Flow Statement, which are through June 31, 2009 (attached). Kudos to Neil and Terry in being able to anticipate income and expenses for budgeting. We reduced the 2009 budgeted income by about \$50,000 from 2008 in anticipation of less income in 2009. We seem to have very loyal and consistent clientele as reflected in the actual year-to-date income. Total income is about \$30,000 above budget; program revenue is about 9% higher than expected. John is not concerned about cost of goods being more than cost of goods sold. New construction line item includes all projects we're working on other than the mine restroom. John will work with Neil and Terry to restate the budget for the rest of the year. Amy clarified with the board at the last meeting that the mine restroom and pipe storage building had been approved and were waiting to be done. Professional fees budget includes Briliam Engineering fees, which haven't yet been expensed. The latter six months will not mirror the first six months. We're reaching our net income stride during summer through September. Mike indicated the tech expenses are way below budget, but that's about to change. John indicated that we're doing very well in a downturn economy. Fixed Asset Expenses include the History Grant expenses which have not yet been incurred. Grant revenue is also not yet recorded. We're about \$55,000 to \$60,000 better than budget for the year.

We made a \$30,000 prepayment on the Susman property. We made the last payment on Everson Ranch to SCCU during the first week of July, so it is not reflected on the Balance Sheet. We only have about \$34,000 in liabilities with \$1.8 million in assets. \$141,000 has been reserved for capital improvements probably in the Village. We'll be setting aside funds for conservation, stewardship and legal defense funds. We are a healthy organization.

We anticipate positive cash-flow from now through November. John doesn't see any problems at this time.

Marilyn asked how the funds are invested. John E. and Neil moved money in November 2008 into cash, including CDs. OLT had no investments in the equity market so lost no money. OLT remains conservatively invested. Doug moved to approve the Treasurer's Report. Paul seconded the motion. The motion was adopted: all in favor, none opposed, no abstentions.

- b. Stats Charts (attached) – Barb noted that total income is about \$12,000 above last year and admissions income is about \$10,000 above the 2008 level. Donation income is about \$2,500 more than at the same time last year. Barb mentioned that Terry targets sending out letters to potential donors every other month. John thanked our member donors in attendance.
- c. Acceptance of 2008 Auditor's Review – John reported that we noted minor control and accounting practices that the auditor recommended be changed. These have been addressed. We are going to be changing auditors, but have not yet identified a new auditor. Next audit will be in 2010 for the 2009 fiscal year. Doug moved to accept the 2008 Auditor's Review. Mike seconded the motion. The motion was adopted: all in favor, none opposed, no abstentions.

XIII. Committee Reports

- a. Board Development – Dan reported that the committee has been reengaged, had a meeting in June and recommended the slate for directors and officers. There are two applicants and two others who have expressed interest in the board. The committee will advise the board when the committee makes any recommendations. AYO refers to Assess Your Organization, a process that the board goes through in preparation for Land Trust Alliance accreditation that let's us know where we are as far as policies and let's us know what we have to do for accreditation. The entire board will be involved. The committee will need to do a comprehensive review of our bylaws. Harold offered to help. This will come to the board next April or a year from now. Dan will work on a strategy that the board needs to have in place for attracting new board members. OLT needs a policy as to its role in creating public policy. A public policy is how the board and ED see themselves involved in government agencies and committees.
- b. Investment – John reported that all investments are cash and cash equivalents except for \$30,000 in the endowment fund which is in fixed income securities.
- c. Land Action - Amy reported that the committee decided that the minutes needed to be kept confidential because of discussion of land transactions. There was discussion of DOW accepting a CE on the Orient Mine, including a legal access road that would not go through the hot springs property. One of the BLM roads encroaches on our property. Amy and Andrew Archuleta will drive the road and discuss it. BLM may upgrade one of their roads. John pointed out that we don't want to compromise our visitor's experience. Amy stated that this will give those who do not want to go through the hot springs an opportunity to see the bats, and it would be a shorter hike for those people.
 - i. LAC Procedure Policy – This was not discussed.

- ii. Landowner Outreach Plan – The committee is still discussing a land conservation marketing strategy, how to let the public know that we’re accepting CEs. Marilyn asked if this involved ‘soliciting’ those who might want to donate CEs. Amy clarified that in identifying certain areas, we may approach those who are in that area to educate them about CEs. OLT would like to raise the level of awareness and educate the public through outreach events.

Amy summarized the information that may go into the landowner packets. Amy has been working with Jeff Jones for assistance. Amy and Dan will discuss Jeff’s role and Amy will let Terry know of any funding needs.

Roundtable meeting possible to get all local, county, state and federal land managers together to talk about opportunities for collaborations, funding. It seems the opportunity is ripe for OLT to coordinate such an event – possibly Nov. 6 or 13, 2009 or Jan. 2010. John thinks this is a perfect role for which OLT could take the lead. Possibly Fri. 9 am-3 pm for land managers, then open to the public for 2 hours. She will cover the rest in Executive Session because it involves land transactions.

- d. Land Management – Doug reported that the survey is almost done. As of July 4, the surveyor had completed all except the southeast corner and north line. Doug said all corners are clear. Steel posts will be put in instead of wooden posts. The surveyor is getting to within ¼ inch. In the next 3 months, there is policy work to be done. Once the building envelope within the 160-acre hot springs donation has been identified, the surveyor will need to survey that area. John mentioned that perhaps we could remove vehicles from the Valley View Village visitors’ parking area and move them to a separate parking area. Amy indicated that that needs to be identified because it will mean a restriction in the CE.
- e. Resource Development – Paul reported there are now 8 committee members. Meetings are every 5 or 6 weeks. Committee’s goal is to raise \$50,000 this year. The committee has worked up front on the raffle. As of 6/29, we’ve sold about \$6,000 in raffle tickets. \$20,000 is the projected sales. Only 17 calendars sold as of about a month ago. We want to get the calendar prominently displayed on the website. The committee is looking at outreach, grants, new programs such as Change4Conservation and the change jar at the front desk. Paul thinks we’ll be short our \$50,000 goal unless grants come through. The committee looked at a possible massage therapy fee. Other facilities take 30-70%. The committee recommends a 20% surcharge as of 2010, requiring all OLT massage therapists to name OLT on their insurance rider, an increase in the surcharge when specific space is designated, and staff to come up with details of implementation of the policy. Mike recommends we table this for Executive Session. Aurielle said that if this will be discussed later to please consider use of space because it changes the visitor experience around the sauna deck area. The Visitor Experience Committee may also weigh in on this issue. Dan indicated that a decision on this could be made at the Oct. meeting. Terrie brought up that a bench has been nailed down on the sauna deck where massage therapists used to have their tables.

The committee is discussing holding an art event on the Front Range or in Santa Fe featuring artists that we select giving an opportunity for galleries, artists, and OLT to raise money. The committee suggested a \$5,000 fundraising target. The committee thought Feb. might be a good time. Larry mentioned that storms that time of year could be a problem. Denise mentioned there

is a group in the Valley of well-known artists that gather weekly to draw nudes. They mentioned some connection at OLT. Denise said this may be a way for OLT to raise additional funds. Denise will provide Paul someone's contact information.

Laura suggested connecting with Angela Guido, Garden of the Gods Gallery. Terrie mentioned she knows the name of someone in Boulder with a gallery. A traveling show is a possibility.

- f. Visitor Experience (VEC) – Mike reported that the committee generally has 100% attendance and meets monthly. They look at both small issues and large projects. VEC was active in the proposed 2010 price increases.

Among the capital projects being discussed by VEC, the astronomy platform is the furthest along. OLT currently has one telescope and has been offered a 10" reflector with computer tracking. VEC would like to propose purchase of a 28" scope, which would be the largest scope in the Valley, maybe even in Central Colorado. The committee has a white paper for the astronomy platform with telescope. VEC anticipates the current proposal is for OLT to fund part of it and seek donations for the balance of funding. VEC believes we can raise restricted donations for this project.

A steam room is probably the most requested amenity of visitors. VEC has a white paper on this, though it's less developed than the astronomy platform. A spa and steam room expert was recently identified among OLT visitors. It is thought that the steam room would increase off-season visitation. Three different locations are being considered: (1) where old wood fired sauna was, (2) across from current hot tub, and (3) near site Q. Some thoughts are: steam room may be combined with several amenities such as ADA compliant restrooms, showers, water handling control center; replace existing hot tub with two 3-ft. deep hot tubs at different temps. The spa expert who is looking at this now is suggesting we focus on the surfaces inside the steam room to make this a quality steam .

VEC also comments on small issues like dog policy to provide user input for staff. VEC has now decided to maintain a database of suggestions and ideas from visitors.

VEC has also been discussing the community building and master site plan.

John brought up maintaining the rustic nature of the environment. Mike confirmed that the VEC is keeping this as one of their primary focuses. Dan indicated that there will be an umbrella of guiding principles over the entire master plan.

Dan announced that we are one of the few land trusts that has 100% participation by board members who are members of LTA. OLT will be featured in LTA's news magazine and at LTA's annual Rally because of its 100% participation.

XIV. Unfinished Business

- a. Reservoir – Dan indicated there is nothing new to discuss.
- b. Nature Conservancy/DOW easements – Dan said this has been covered previously in the meeting.

- c. Village donation (lease renewal by 9/30/09 vs. donation) – Amy will present a timeline. Dan indicated that this will be discussed informally on 7/19/09.
- e. Creation of new funds and establishing signatories – John reported that we need to split our accounts into 3 separate accounts: land conservation; operating account; stewardship, monitoring and legal defense. Neil clarified that there is already a separate raffle account as required by law. The separation of accounts is required for LTA accreditation and State certification. Amy requested that Terry back out all unrestricted donations from 1/1/09 forward and put them into the land conservation funds. The Board needs to decide what percent of donations go into which account. \$94,565 in donations has been received as of 6/30/09. Net after paying \$30,000 to Susman, making ranch payments, and paying \$4200 State certification fee is just over \$25,000. Amy recommends 80% to land conservation fund and 20% to stewardship, monitoring and legal defense fund or 75/25%. Keep endowment as long-term savings account.

Dan reported that TNC will waive their standard fees to OLT.

Jeff Jones estimates a \$15,000 fee for every CE transaction. We'll want to consider in our policy what percent we want an owner to pay for each transaction. OLT is required to have stewardship funds for every CE. Amy said that this is absolute basic land conservation accounting. John E. said that transparency is essential. John E. is comfortable with this change in the accounting set-up. From this point forward, all unrestricted donations will be placed into these funds according to the percentage the board decides, unless the board decides to change the tag line that now is 100% of unrestricted donations go for land conservation. Donations for village improvements would be restricted donations. Creating these new accounts is breaking out the accounts. Neil said OLT's 501(c)(3) covers all operations of the land trust. Amy clarified the difference between the land conservation fund which is for transactions and the stewardship, monitoring, and legal defense fund which is for monitoring, stewardship and defending of CEs once we own CEs or property in fee title.

The meeting recessed at 11:45 pm. The meeting resumed at 2:05 pm. Several guests did not return following the lunch break.

Discussion continued about creation of funds. Amy distributed a rough breakdown of splitting our unrestricted donation income Jan. through June 2009. After reviewing this, Amy proposed that someone move that 100% of all unrestricted donations received Jan. thru June 2009 go into the land conservation fund, and July 1 going forward split funds 90% to land conservation fund and 10% to stewardship, monitoring and legal defense fund. If we place 100% of our first six months of unrestricted donations into the land conservation fund, there would be \$25,000 going into that fund. John said that the board in the future could direct funds from the operating account into either of these funds. John suggests we revisit this at every board meeting. The goal is between now and the October meeting, it will be decided what the itemized costs are that will be considered under each fund, and we'll have draft declarations that have gone through the Investment committee for board approval at the October meeting.

John moved that as outlined on p. 30 of 77 of the printed board packet on new accounts that we adopt this language with the following modification: For the period Jan. 1, 2009 through June 30, 2009, 100% of all unrestricted donations be placed in the land conservation account. From July 1, 2009 going forward, all unrestricted donations be split 90% to the land conservation account and 10% to stewardship, monitoring, and legal defense account. Doug seconded the motion. Doug amended the motion to state that 100% of all unrestricted donations from Jan. 1, 2009 through June 30, 2009, less land conservation related expenses be placed in the land conservation account. Mike seconded the amendment. The amendment was adopted: all in favor, none opposed, no abstentions. A vote was then taken on the Motion which was adopted: all in favor, none opposed, no abstentions.

[Text of p. 30 of 77 of board packet is below for reference]

I move that the Board of Directors approve the opening of two new bank accounts at Pueblo Bank & Trust Co., 200 F St., Salida, CO 81201, in the name of Orient Land Trust as follows:

Land Conservation Projects Fund

Type of account: money market

Signatories: Executive Director, Treasurer, Office Manager

Type of Funds that will flow into this account: _____% of unrestricted donations or any donation restricted by a donor to this account.

Stewardship, Monitoring & Legal Defense Fund

Type of account: money market

Signatories: Executive Director, Treasurer, Office Manager

Type of Funds that will flow into this account: _____% of unrestricted donations or any donation restricted by a donor to this account.

The percentage of donations that will flow into each account may be exceeded from time to time by a majority vote of all of the members of the Board of Directors.

Declarations on the use of funds for each new account will be prepared and approved at the October 17, 2009 board meeting.

These funds shall require the Treasurer's signature and one other signer for withdrawal by check or other means of any amount of \$10,000 or more.

Doug moved that, for purposes of consistency and efficiency, signatories on Orient Land Trust's operating, land conservation, and stewardship, monitoring, and legal defense accounts shall be the Executive Director, Treasurer, and Office Manager. Doug Bishop, who has been a signer on the operating account since May 13, 2006, pursuant to the Board's action in response to an auditor's letter, shall be removed as a signer on these Orient Land Trust's accounts at Pueblo Bank & Trust Co. because the Executive Director, Treasurer, and Office Manager are unrelated parties. John seconded, and there being no further discussion, the motion was approved: all in favor, none opposed, no abstentions.

- f. Bylaw Changes – Barb presented the Bylaw amendments as shown in the board packet (attached). She noted that the suggested change is to bring the Bylaws in line with LTA S&P 4B.

Paul moved that the Board approve the proposed Bylaw amendments as stated starting on p. 31 of 77 in the board packet. Mike seconded. After further discussion, the motion was approved: all in favor, none opposed, no abstentions.

- g. State certification & LTA accreditation to-do list – Barb reported that some items are ‘done.’ Some items may need to be moved up because of the State Certification deadline of 1/1/2010 or before we can hold a CE. The key column is the Board meeting target date, not the priority number.
- h. Assess Your Organization (AYO) – Amy referred to p. 55 of the board packet. Amy was referred by Jeff Jones to the LTA Western Region about this grant. The grant will allow us to apply for a \$2500 grant for a consultant. Jeff has been through the LTA certification whereby he could be our consultant for this process. Western Region believes there will be funds available next quarter for this process. Either the full board or part of the board must spend at least 4 to 6 hrs. with the consultant to work on the AYO process. It’s a \$500 match on OLT’s part. The assessment is very detailed. It is very different from the strategic planning weekend. The majority of the AYO we haven’t begun to tackle. The board must be conversant in the procedures and policies. LTA realizes that a consultant is beneficial to a land trust in doing its AYO. AYO lets a land trust know what it needs to do to prepare for accreditation and if it’s ready to be accredited. This is a required step for applying for accreditation. Dan read from LTA’s Save Land magazine as to the AYO process and said that we’ve informally said that we want to go for accreditation in 2011. There is also a GOCO grant due Sept. 4 that Amy will apply for to ask for more money for AYO to cover some of her time, some of Barb’s time, and more consultant time. John moved that the Board adopt the resolution on p. 56 of the board packet (attached). Mike seconded, and the motion was approved: all in favor, none opposed, no abstentions.
- i. BLM – Amy referred to the letter on pp. 57-59 of the board packet. Amy met with Andrew Archuleta, BLM District Ranger. They are meeting Monday to drive the roads. BLM seems very amenable to work with OLT about road issues. He was not aware of BLM’s encroachment onto OLT’s property. They discussed partnering on many issues.

Amy submitted a FOIA request on the Anderson ditch land exchange. Amy met with Sue Swift of the BLM LaJara Field Office. Amy received copies of all public comments and a feasibility study on Parcel M. Land Action Committee will be reviewing these. For a water rights exchange for land, BLM has to go through water court, and it will take two years. Archuleta would like to take this out of the land exchange. John reported that BLM was proposing to transfer parcel M to private holders who could then develop the parcel. It would definitely impact OLT if a private developer were to acquire and develop it. Public comments had a significant impact. Amy does not see a reason for OLT to acquire federal land, but if it were to be acquired by a private party who may develop it, OLT is concerned.

- d. September 19 & 20 retreat weekend – Laura will facilitate the strategic planning weekend.
 - i. Strategic Plan – Laura presented a rough draft of how the weekend would unfold. Laura suggests that we correlate this with the AYO process. Laura will obtain LTA S&Ps. Day 1 focus on mission, vision, values, goals, agreements, Carver’s governance model, team roles assessments to identify strengths and determine group profile; Board job descriptions, responsibilities of ED, founders, staff, board roles, time commitments, how

do these meet personal expectations? Also we would look at “hit by a truck” contingency plan; transition/succession strategies, brainstorming, board goals, review process. Day 2: debriefing of Day 1, tactical focus, budgeting, VVHS vs. land conservation, infrastructure discussion, next steps – action plan. Master Development Plan would fit into tactical focus. Amy said that as she and some board members have discussed, vision and values must come before a master development plan. Amy thinks we should include brainstorming on Day 1, budget and some of the tactical focus aspects. It will be left to Laura to keep the group on track because it’s all interconnected. Laura will revise the outline on structuring of the weekend. Laura wants to schedule the one-on-one conversations with participants. There will not be any new members joining the board before the strategic planning weekend. Laura said she sees a lot of mutual respect among those here at OLT for the land and for the people.

Dan said that the Board will come away with a Master Development Plan, Site Development Plan and Development Timeline and that these will also be helpful in preparation for the TNC CE.

Neil suggested leaving the timeline off in order to save time during the strategic planning weekend. Amy said that a timeline is needed for budgeting purposes.

John said that we need to think about vehicles, parking, an integrated idea about use of reservoir, and camping is a consideration. Amy agreed that we need to think of these things, existing roads, think about places that already have an impact. Doug suggested that we ask for more rather than less. Mike pointed out that a TNC representative told him that it’s very difficult to amend a CE and that TNC is very concerned about water and water usage. Dan said that we could go in different directions, e.g., reservoir and camping or enhance wetlands including restriction of people and machinery.

TNC is concerned about the current location of streams. The building envelope will need to be defined. Neil said that a baseline will provide a lot of data that will help in making this determination. Amy got a sense from TNC that they will not ask us to change any of the existing piping, but would not want us to run new piping from an existing stream, that they will want to see how riparian areas might be enhanced. No more manipulation of the water flow. They have redefined what we consider a ditch to a stream.

- ii. Master Development Plan – Mike said that we must know what vision and guiding principles are first. We have goals of OLT. Vision is what would OLT look like in 5 or 10 years. Oz suggested we look out 50 years to avoid getting entangled in pet projects. Vision Statement with Guiding Principles – maybe OLT would be energy self-sufficient. OLT would continue to maintain a friendly naturalist unique environment. Guiding principles would be techniques we use to maintain vision, e.g., incorporate green design, maintain rustic ambience, long list of possible guiding principles. We’re under pressure from TNC to define the Village in order to define the building envelope. Kate Shorrock’s (TNC) impression was that there wasn’t much acreage beyond the immediate hot springs area. The Village is only 1/6 of the 160 acres. Amy thinks that TNC now has a better vision of the entire 160 acres. Dan asked Amy to probe TNC a bit about peripheral areas of the Master Site Plan. TNC is very interested in the Master Site Plan. Conservation

values must be protected whether or not within a building envelope. We must be aware of certain current constraints, e.g., quota, off-season capacity issue, off-grid, cost benefit criteria, Mike said.

Two architects have helped out with a “walk about”. Both have submitted diagrams with amenities. Staff and board were asked for their input and some responded. Mike asked for anyone else’s input if they would like to provide it. John E. suggested an email blast to everyone we can think of to obtain input. Ches suggested something be put online that folks could manipulate. Mike couldn’t think of an easy way to do it. Laura suggested a ‘wiki’ - Wikipedia where people can contribute their thoughts. Laura will get the website for ‘the dream city project’ being used in Colorado Springs, which might help us.

There are two types of needs: 1) infrastructure, e.g., laundry, IT, maintenance barn for vehicles and 2) guest amenities, e.g., new trails, cabins, RV spaces. Next step is to establish a potential list of guidelines working within constraints. How can we do this in an affordable, practical way? Solve multiple issues with fewer structures. Minimize impact of the projects. Maintain VVHS ambience. Avoid emotional decisions and pet projects. We must do cost-value analysis for each infrastructure change. Final step is to go for one-year budget/plan, then 5-year. Timeframe to accomplish this is unknown but we hope to accomplish this during the Sept. 19/20, 2009 weekend. Thought is to allow members to make comments until Sept. 19. Amy pointed out that by Sept. or by year-end, we just need to decide where the building envelope will be and be sure that enough space is allowed for whatever we might want to do 50 years out. Laura thinks it would be a huge amount of detail to determine over the weekend. Amy said you allow space for contingencies. One-year budgeting is essential. The building envelope for TNC is identified by GPS coordinates. Neil said that we have a sprinkler coming on at the Everson Ranch in 2010. John said that it’s a traditional use. We must use water rights to retain them. Dan said as a wrap-up what he’s heard is that we want to keep the envelope pretty tight. Doug suggested if we stretch it a little, people are less dense. Amy said that none of the natural ponds will be in the building envelope. John still thinks we need to reserve an envelope at the reservoir to relieve some pressure at the hot springs. Aurielle seconds Doug’s sentiment suggesting that we think about space so people can enjoy the space. It does tend to get dense where the amenities are located.

Dan said that we are not committed to a date certain with respect to the TNC transaction, but we have a goal of completing it by year-end.

XV. New Business

- a. 2010 Price Structure – Mike discussed that this is a recommendation resulting from meetings with staff and through the VEC. John L drafted the various proposals based on this input. This is the first change in prices in three years. Amy further suggested we charge a \$10 flat fee per visit for dogs following a discussion with our database software person. Amy pointed out the numerous amenities that OLT provides for free. Amy is hopeful that there will be an Astronomy pad and steam room built in 2010. Price increases will help cover, for example, the wastewater treatment plant and technology issues that need to be addressed. John said that part of our mission is to keep this low cost. He thinks it is a bargain. Neil said that we state in our IRS filing that this is minimal development at minimal cost. Aurielle said that it is the most reasonable way

to spend a day in paradise, but it's over her league to stay overnight. Each time we increase prices, we become more and more exclusive and a less diverse community. Neil said that from a historical perspective, when prices increase, visitors may come less often or for fewer days. But we turn people away summer weekends. Construction materials are expensive. Neil supports the price increase. He suggests we increase The Naturalist Society discount from \$2 to \$3. Terry said that in the three-year interim since we've increased prices last time, OLT has made a concerted effort to use green products which has increased our costs. Ches thinks this is a bad economic time to do this and we should put off any increase for a year. Maybe increase summer rates one-half of this and not increase rates for off-season. Annie said that although some percentage increases look high, there is no substitute for what OLT offers, and that OLT also is under hard times. We are all under hard times. Amy pointed out that it is being proposed that the local discount be increased from \$2 to \$3. Neil said that our largest expense is human resources. All staff live in Saguache County. Annie has had several people ask about a punch card. Neil said they did it for one year. John agrees we need a price increase; that we need to support our staff, and need to do the public relations to let the public know why we're doing this. Marilyn said that she has no objections to raising prices. Neil said one time they threw in a one-time coupon when they publicized the increase. Mike suggested improving the membership benefits. Any consideration given to changing member benefits? Paul suggested a membership discount. Neil said this is a wash because then it is just moving the money around. Paul said that there is more incentive to increase a membership level. Mike would like to look at changing membership levels at a later date. Amy liked the idea of the winter visitor discount. Paul would like to see an analysis of the membership levels. John likes Marilyn's idea of a scholarship program or volunteering in exchange for use of the hot springs. Mike moved that the Board approve the proposed price structure (attached) that came out of staff and committee meetings as set out in the board packet with the exception of increasing the TNC discount to \$3 and adopting the \$10/visit dog fee. John would like some latitude for offering discounts. Dan suggested staff can undertake coupons. Neil pointed out that if a volunteer gets a coupon, then the volunteer is 'paid'. Doug seconded the motion. Dan emphasized that the three-year lapse between increases is historical and not an indicator for the future. Neil pointed out that with all discounts combined, one could do a quick-dip for \$2 in the winter. Following discussion, the motion was approved: 3 in favor, none opposed, Paul abstained.

b. New Policies – Amy

- i. Board and Officer Obligations Acknowledgment (attached) - Amy presented this as an affirmative statement as to board and officer ethics and duties.
- ii. Consultant Policy (attached) – Amy pointed out that the consultants with whom we're currently working or are looking to work with, this policy is needed. She tried to provide a transparent process.
- iii. Contingency Policy (attached) - Amy said this came up in the DOW Grant and it has come up before in discussion with Neil and Terry. This is to formalize the process. Amy told DOW that it is standard practice to have a contingency plan for fee simple properties. We are giving ourselves 18 months to initiate the process to grant a CE on a fee simple property to a third party. Records are in order so that OLT could hand off files to a third party. Stewardship funds would exist as well.

- iv. Draft of CE Approval Policy (attached) - Amy doesn't think Kai has reviewed this. This is a proposed snapshot of the process of how OLT would approve a CE. Amy is not asking for a vote on this. She would like board input on this.

Re: i. above, Neil said that on p. 64 of the board packet, the acknowledgment form added founder, a founder is not a position, so he is not sure the mention of founder is proper. This does not replace the Conflict of Interest policy. Amy said this is just an affirmation. Neil said he and Terry are staff and founders, so he doesn't think it is proper for them to sign this. John thinks officers and directors are held to a different standard than staff or founders and that it's not necessary for Neil and Terry to sign it. Neil is concerned that it could be confusing. Amy suggested we strike the words, "OLT founders" in the acknowledgment.

John moved that we accept the positive affirmation of ethics on pp. 62-64 of the board packet deleting reference to OLT founders, founder, and staff member in the acknowledgment, and that the Board approve the Consultant Policy at pp. 65-67 of board packet and Contingency Policy on pp. 68-69 of the board packet. Paul seconded the motion. Amy indicated that she had prepared these policies based on her research and experience. Following further discussion, the motion was approved: all in favor, none opposed, no abstentions.

- XVI. Executive Session - The regular Board meeting adjourned at 4:35 PM and, following a break, the Board convened in Executive Session at 4:50 PM. Executive session adjourned at 6:30 PM, and the regular board meeting reconvened.

XVII. Announcements

- a. Dan proposed that the Board spend an hour on the phone in August discussing the 2005 Strategic Plan rather than tonight at Seitz residence.
- b. A special board meeting conference call was scheduled for July 27, 2009 at 7 pm to discuss and make a decision concerning the Letter of Intent/Agreement between Seitz and OLT about Seitzes' donation of the Valley View Hot Springs property to OLT. The 2005 strategic plan may be discussed if time allows.
- c. Dan confirmed the next regular board meeting date – Saturday, October 17, 2009 at 9 am at Seitz residence.

The meeting was adjourned at 6:35 PM.

Submitted by:

Approved by:

_____/_____
Barbara T, Secretary Date

_____/_____
Dan J, Chairperson Date